



DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
2000 NAVY PENTAGON
WASHINGTON DC 20350-2000

OPNAVINST 4020.27
N4
18 Sep 2017

OPNAV INSTRUCTION 4020.27

From: Chief of Naval Operations

Subj: CAPITALIZED BULK FUEL TANK MANAGEMENT AT NAVY INSTALLATIONS

Ref: (a) DoD Manual 4140.25, DoD Management Of Bulk Petroleum Products, Natural Gas, and Coal, 28 June 2013
(b) JP 4-03 of January 2016
(c) UFC 3-460-01, Design: Petroleum Fuel Facilities, 16 August 2010

1. Purpose

a. To issue policy and assign responsibilities for the management of capitalized bulk fuel tanks and to implement reference (a) for Navy installation fuel tanks assigned to Commander, Naval Supply Systems Command (COMNAVSUPSYSCOM).

b. To establish the goal of using industry standards for managing recurring tank integrity assessments and repairs of capitalized bulk fuel tanks in support of mission readiness and petroleum, oils, and lubricants infrastructure.

2. Scope and Applicability. This instruction applies only to managing the requirements for cleaning, inspecting, and identifying needed repair work to be performed on capitalized bulk fuel tanks at Navy installations. It does not supersede any directives or memoranda of agreement (MOA) already in place, such as Office of the Chief of Naval Operations (OPNAV) Manual 5090.1 of 10 January 2014; MOA between COMNAVSUPSYSCOM, Commander, Naval Facilities Engineering Command (COMNAVFACENGCOM), and Commander, Defense Logistics Agency-Energy (DLA Energy) dated 30 June 2016; and MOA between Commander, Navy Installations Command (CNIC) and COMNAVSUPSYSCOM dated 30 April 2015.

3. Definitions

a. Authoritative Source. A source of data or information that is recognized by members of a community of interest to be valid or trusted because it is considered to be highly reliable or accurate, or is from an official publication or reference.

b. Capitalized Bulk Fuel Tank. A field-constructed tank, typically greater than 10,000 gallons, that contains Defense Working Capital Fund fuel.

c. Operational Compliance. Compliance with all applicable regulations, standards, and policies associated with operation of a capitalized bulk fuel terminal. This includes, but is not limited to, fuels operator training, preventative maintenance, inventory management, underground storage tank operator training, immediate spill response and notification procedures, and spill plan compliance.

4. Policy. The Chief of Naval Operations has responsibility to establish policy for authority, responsibilities, and roles for management and future planning of capitalized bulk fuel tanks at Navy installations. Reference (a) applies and establishes policy, assigns bulk fuel tank responsibilities, and provides overall responsibilities for the management of capitalized bulk fuel tanks.

5. Responsibilities

a. Deputy Chief of Naval Operations, Fleet Readiness and Logistics (CNO N4) is responsible for issuing policy for the management of capitalized bulk fuel tanks and aligning authorities, responsibilities, and roles.

b. COMNAVSUPSYSCOM is responsible for monitoring the operational compliance of capitalized bulk fuel tanks for which COMNAVSUPSYSCOM has service control point oversight responsibility. This mission must be identified in the missions, functions, and tasks instruction issued by OPNAV to COMNAVSUPSYSCOM. COMNAVSUPSYSCOM will:

- (1) serve as the operator of capitalized bulk fuel tanks for Navy;
- (2) perform service control point functions for capitalized Navy and Marine Corps sites as outlined in reference (a);
- (3) determine the requirements for operational compliance of capitalized bulk fuel tanks including the dates for tank inspections, the tank out-of-service sequencing, the repairs required for tanks' return-to-service, and maintenance of pertinent records;
- (4) coordinate with NAVFACENGCOM and, when applicable, other design and construction agents early for project review and approval;
- (5) create a 3-year requirement forecast, annually;
- (6) update requirements throughout the fiscal year;
- (7) publish a COMNAVSUPSYSCOM bulk fuel tank issuance to address capitalized bulk fuel tank operational details;

(8) develop an annual tank management plan that includes the latest tank inspection schedule for capitalized bulk fuel tanks and submit the plan to CNIC for incorporation into the inventory of all Navy-owned tanks;

(9) maintain an authoritative record of each tank's clean, inspect, and repair effort;

(10) coordinate closely with DLA Energy personnel to ensure proper funding responsibilities are assigned to DLA Energy for capitalized bulk fuel tanks on Navy installations;

(11) serve as the Navy's liaison to DLA Energy for all funding required for the testing, inspection, and repair of bulk fuel tanks; and

(12) notify the applicable combatant commander joint petroleum office when fuel storage tanks will be out of service, per reference (b).

c. COMNAVFACENGCOM, or the delegated contracting command, is responsible for developing, awarding, and administering contracts in support of cleaning, inspecting, and repairing capitalized bulk fuel tanks. COMNAVFACENGCOM is required to ensure adequate workforce and acquisition capacity to perform this mission based upon requirement projections and as a fully reimbursable effort. This mission must be identified in the missions, functions, and tasks instruction issued by OPNAV to COMNAVFACENGCOM. COMNAVFACENGCOM will:

(1) clean, inspect, and repair capitalized bulk fuel tanks, and obtain and follow guidance from COMNAVSUPSYSCOM for scheduling out-of-service and return-to-service dates for the cleanings and inspections, and determining which repairs are completed per reference (c);

(2) manage the schedule for all capitalized bulk fuel tanks that are pre- or post-award, and oversee the subordinate contracting command;

(3) publish a COMNAVFACENGCOM bulk fuel tank issuance to address bulk fuel tank sustainment, restoration, and modernization;

(4) develop, update, maintain, and manage execution and acquisition plans for each tank's clean, inspect, and repair effort; and

(5) maintain resources and capacity to contract for tank inspections and repairs.

d. CNIC is responsible for the physical property of the capitalized bulk fuel tanks and associated compliance with assistance from COMNAVFACENGCOM and COMNAVSUPSYSCOM. CNIC will:

(1) maintain an accurate inventory, with annual updates, of all Navy-owned capitalized bulk fuel tanks including compliance information such as applicable standards and required inspection dates, with input from COMNAVSUPSYSCOM;

(2) conduct environmental planning at the installation or regional level for fuel tank construction; cleaning, inspection, and repair projects; sustainment, restoration, and modernization projects; and dismantling or demolition; and

(3) coordinate closely with COMNAVSUPSYSCOM to ensure proper funding responsibilities are assigned to DLA Energy for capitalized bulk fuel tanks on Navy installations.

6. Records Management. Records created as a result of this instruction, regardless of media and format, must be managed per Secretary of the Navy (SECNAV) Manual 5210.1 of January 2012.

7. Review and Effective Date. Per OPNAVINST 5215.17A, CNO N4 will review this instruction annually on the anniversary of its issuance date to ensure applicability, currency, and consistency with Federal, Department of Defense, SECNAV, and Navy policy and statutory authority using OPNAV 5215/40 Review of Instruction. This instruction will be in effect for 5 years, unless revised and or cancelled in the interim, and will be reissued by the 5-year anniversary date if it is still required, unless it meets one of the exceptions in OPNAVINST 5215.17A, paragraph 9. Otherwise, if the instruction is no longer required, it will be processed for cancellation as soon as the cancellation is known following the guidance in OPNAV Manual 5215.1 of May 2016.



D. R. SMITH

Deputy Chief of Naval Operations
(Fleet Readiness and Logistics)

Releasability and distribution:

This instruction is cleared for public release and is available electronically only via Department of the Navy Issuances Web site, <https://doni.documentservices.dla.mil/>